

Becoming a Family Program Approved Service Agency (PASA)

Presented by The Arc Arapahoe & Douglas

Objectives

- Disclaimer
- Why you should watch this video
- What is a PASA?
- What are the responsibilities of a Family PASA?
- What is required to become a Family PASA?
- Getting started
- Writing Policies and Procedures
- Administration (You are a small business! How will you handle payroll, human resources, human rights of individuals that you serve, transportation for your loved one, etc.)
- Sustainability for the future

Disclaimer

- This is an introductory presentation about understanding and starting a family operated Program Approved Service Agency (PASA) in Colorado. All information is accurate as far as we know. This workshop was developed in July 2016.
- You may want to contact an attorney or your Chamber of Commerce to assist you with this process. This training is not intended to give you all the tools you will need to create a business plan or how you want to create your business entity.
- The Arc Arapahoe and Douglas is providing this information as a public service to families, you need to decide if this is right for you. We endeavor to offer ideas not recommendations.

Why Should You Watch This Video

- This video is the first part of an educational workshop on helping families understand how to create and manage their own PASA.
- This video/ power point is intended as an overview of becoming a Family Owned PASA, with additional follow up and break out groups scheduled at The Arc Arapahoe and Douglas in 2017.

Program Approved Service Agency (PASA)

- Creating your own PASA is essentially creating your own small business to provide services and supports for your loved one.
- Creating your own PASA is NOT the same thing as Consumer Directed Attendant Support (CDASS) or Family Caregiver. In creating your own PASA you are responsible for hiring qualified staff to provide the services you choose to provide based on rules and regulations. For example: If you are providing Behavioral Services, you would need to hire someone who is qualified (according to the waiver) to provide this service, such as an ABA therapist.
- Becoming a PASA makes you a Medicaid provider and as a result you agree to accept Medicaid rates to provide that service. You cannot accept “extra” funding from your clients/ customers to provide the service.

Program Approved Service Agency (PASA)

- Like any small business you want to create a budget, determine what services you want to provide, decide if you are qualified or willing to hire qualified staff to provide that service, understand the rates you will get to pay staff. We recommend that you click on “Full Text of the Current Waiver” and read the appendixes.
 - For complete information about the IDD waivers please click on the links below and read them carefully.
 - Children’s Extensive Support (CES) Waiver
 - <https://www.colorado.gov/pacific/hcpf/childrens-extensive-support-waiver-ces>
 - Supported Living Services (SLS) Waiver- <https://www.colorado.gov/hcpf/supported-living-services-waiver-sls>
 - Developmental Disabilities (DD) Waiver- <https://www.colorado.gov/pacific/hcpf/developmental-disabilities-waiver-dd>

Responsibilities of a PASA

- You will have to undergo the same review process as any company, business or individual pursuing approval. This process is standardized to make sure all individuals providing services are qualified to provide services.
- If you are creating a PASA you are looking to control and have more of a say in determining who is providing services to your loved one. Some families feel that a PASA helps them more effectively manage overhead costs as well.

Step 1: Start Your Company

- What type of business will you be? What are the tax implications?
- What is the name of your business?
- Do you need a business plan?
- Set up a bank account?
- Sometimes talking with a lawyer or your local Chamber of Commerce can be a helpful place to start with some of these questions.
- Register your company with the Secretary of State (http://cosos.learnercommunity.com/portal/Files/Org/5d253e1535be429bb1f78929a435c5c6/site/assets/starting_a_business/english/Starting_a_Business_in_Colorado_English.pdf).
- Pay filing fee.

Step 1: Start Your Company

- Get a Federal Employer Identification Number (FEIN). To start the process online:
 1. Go to www.irs.gov
 2. Click on "Business"
 3. Click on "Employer I.D. Numbers"
 4. Follow the instructions to apply for an F.E.I.N. online, by telephone, fax, or mail. For more information visit the IRS website at www.irs.gov or call the IRS at 1-800-829-4933.
 5. You can set up an electronic transfer to pay taxes during this process

Step 1: Start Your Company

- Obtain a State Tax Number: You can obtain a Sales Tax License and a Wage Withholding Account from the Colorado Department of Revenue.
 1. You need a Sales Tax License if you sell products.
 2. You need a Wage Withholding Account if you have employees and withhold state income tax.

For more information visit www.taxcolorado.com, or call the Department of Revenue's Tax Assistance Hotline: 303-238-SERV (7378).

Step 1: Start Your Company

- Obtain a Business License In Colorado, a business license is not always required. There is no such thing as a general business license. However, many businesses do need a specific license or licenses depending on the type of business and how it's regulated.
- Here are some online resources to help determine if your business needs a business license:
 - The License Database put together by the Office of Economic Development and International Trade lists licensing requirements at both the state and local levels. (<http://www.colorado.gov/oed/industry-license/>)
 - The Department of Regulatory Agencies maintains a list of licensing requirements for the many types of occupations and businesses it regulates at the state level. (<http://www.dora.state.co.us/Licensing.htm>)
 - Remember: There are specific business licenses issued at both the state level and the local city or county level. Check with your local licensing department.

Step 2: Other Taxes and Insurance

- Contact an insurance company to determine the amount of liability insurance that you will need. Not all insurance companies understand this business, so ask if they have experience.
- Register your business to pay the appropriate unemployment taxes: <https://www.colorado.gov/pacific/cdle/node/19706>
- Workman's Compensation Insurance - an insurance broker can help you with this step
- The city where your business is set up may have other taxes

Step 3: Register to Become a Provider

- You need a Medicaid number from the state of Colorado to provide waiver services. In order to secure this you need to complete what's known as the CMAP process.
- Visit: <https://www.colorado.gov/hcpf/provider-enrollment> to begin this process
- As a PASA providing waiver services you are likely going to be in the atypical enrollment group.
- Take the provider enrollment training
- You will need to submit the following information as an HCBS provider: <https://www.colorado.gov/pacific/sites/default/files/General%20Enrollment%20and%20Revalidation%20Checklist%20-%20Atypical%20HCBS.pdf>
- Make sure you select the correct box for waiver services.
- Once you complete your application, there's more: <https://www.colorado.gov/pacific/hcpf/provider-next-steps>

Step 4: Program Approval from CDPHE

- You can work on this application before you receive a Medicaid ID#
- Application can be found here:
<https://www.colorado.gov/pacific/cdphe/health-facilities-licensure-and-certification>
- An application packet will be sent to you.
- Sample application (with phenomenal flow chart):
https://www.colorado.gov/pacific/sites/default/files/HFDREPV_PASA_AppPacket.pdf
- Submit completed packet one of these ways:
 - cdphe.healthfacilities@state.co.us
 - Fax: 303-753-6214
 - CDPHE-HFEMSD
Attention: Program Approval
4300 Cherry Creek Drive South
Denver, CO 80246
- Receive written status notification after 30-day processing.

Step 5: Write Your Policies and Procedures

- There are different provider levels and if you are applying for Level 1 you do not need to write policies and procedures, whereas if you are applying for level 2/3 you will need to complete this.
- Applicants applying to provide the following services must submit the policies and procedures with the initial Program Approval application:
 - Residential Habilitation (Group Residential Supports & Services and Individual RSS)
 - Day Habilitation
 - Supported Living Services or Children's Extensive Support Services
 - Behavioral Supports

Policies and Procedures (from CDPHE presentation)

- Dispute Resolution
 - 2 CCR 503-1 Section 16.322 and Title 27-10.5-107 C.R.S.
- Grievances
 - 2 CCR 503-1 Section 16.326
- Incident reporting
 - 2 CCR 503-1 Section 16.560
- Mistreatment, Abuse, Neglect and Exploitation
 - 2 CCR 503-1 Section 16.580 and Title 27-10.5-115 C.R.S.
- Personal Needs Funds (As applicable)
 - 2 CCR 503-1 Section 16.622 B5 and Title 25.5-6-411 C.R.S.
 - Refer to the PNF Manual, 2002 in order to complete
- Rights of persons receiving services
 - 2 CCR 503-1 Section 16.310 through 16.312 and Title 27-10.5-112-123 and 128 C.R.S.
- Use of physical restraint
 - 2 CCR 503-1 Section 16.530 and C.R.S. 27-10.5-115(8)

Policies and Procedures (from CDPHE presentation)

- Use of Emergency Control Procedures (ECP)
 - 2 CCR 503-1 Section 16.540 A1
- Use of Safety Control Procedures (SCP)
 - 2 CCR 503-1 Section 16.540 B1
- Contact at DIDD for PASA Certification:

DIDD Program Quality Program Approval and Certification
Office: 303.692.2808

Email: cdhs_pasa_approvalcertification@state.co.us

Step 6: Payroll and Administrative Tasks

- Understand the legal differences between contracting with someone to provide services and employing someone to provide services. <https://blog.dol.gov/2015/07/15/employee-or-independent-contractor/>
- Understand that you will need to withhold and deposit state and federal income taxes and Social Security and Medicare for your employees
- If you are using contractors, you must file a 1099
- If you have employees, you will need to pay unemployment taxes and Workers Compensation

Step 6: Payroll and Administrative Tasks

- Will you do all these payroll tasks yourself or hire someone to do it for you? If you hire, what is the cost?
- Your company will have to file an annual tax return with the state and federal government. Who will file the tax return? How much will it cost?
- Personnel files need to be kept up to date with documentation of training, background checks, driving records etc. Whatever is documented in your policies. Who will maintain these files?
- Staff performance reviews - who will do these and how will they be documented?

Step 7: Training for Staff and Documentation

- This needs to be included in your policies and procedures
- The state will come out and check that you have documentation to support that the services have been provided
- There are minimum training guidelines for all IDD services. Who will provide the training how will it be documented? What are the costs?
 - CPR/First Aide
 - Intro to Developmental Disabilities
 - Mistreatment Abuse Neglect & Exploitation
 - Etc.
- Who will monitor to ensure that employees are providing appropriate paperwork?

Links for research to create your budget

- The Supports Intensity Scale (SIS) and the Service plan (SP):
<https://www.colorado.gov/pacific/sites/default/files/Support%20Intensity%20Scale%20and%20Support%20Level%20Quick%20Reference%20Sheet%207.1.2014.docx> This link will download a word document with budgetary information.
- Here is the link for the rate chart:
https://www.colorado.gov/pacific/sites/default/files/HCBS%20ODD%20SLS%20CES%20Rate%20Schedules%20FY1617_3.pdf

Step 8: Business Plan and Budget

- Your local Chamber of Commerce may have classes to teach you about business plans and budgets
- Budget
 - Figure out the income for the business based on the Supports Intensity Scale score of the adult you are serving and the rates that will be paid for those services. The CES Waiver does not require a SIS score, but the rates are published for you to use for your budget.
<https://www.colorado.gov/pacific/sites/default/files/DIDD%20DD%20SLS%20CES%20TCM%20FY%2015-16%20Rate%20Schedule%20Updated.pdf>
 - Remember that if you are providing services under Supported Living Services that there are Service Plan Authorization Limits (SPAL)
 - Then figure out expenses. How much will you pay your employees, how many employees, don't forget about taxes and insurance, and training costs.

Step 9: Human Rights Investigations, Transportation and Other Things You Haven't Thought About...

- If the person you provide services for needs to be reviewed by the Human Rights Committee at the local CCB who in your agency will provide the documentation for this review?
- If the person you provide services for needs accessible transportation, how will this be provided? How will they get from place to place? If staff is providing transportation how will you ensure that they are safe drivers and the vehicle is safe?
- What happens if someone gets sick or goes on vacation? Who will provide services then?
- Succession planning - what happens if you can no longer administrate the PASA?

Step 10: Prepared to be Overwhelmed

- This is not an easy to do
- It will take you time to complete this process
- If you do it one step at a time, you may be more successful
- Take time to take care of yourself during this process - rest, relax, take a bath, breathe, cocktails anyone?
- The Arc Arapahoe and Douglas is here to help with the IDD side of this application, but we are NOT experts in business law, taxes and insurance - please seek out assistance from small business resources like your local chamber of commerce and the Secretary of State.